

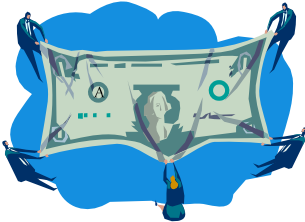


**BRING YOUR VOTER'S GUIDE SUMMARY WITH YOU TO
THE POLLS ON
MARCH 11, 2008 AT SOUHEGAN HIGH SCHOOL**



TOWN WARRANT ARTICLES

ARTICLE 22: Operating Budget



Shall the Town vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth herein, totaling \$9,543,986. Should this article be defeated the default budget shall be \$9,508,375 which is the same as last year, with certain adjustments required by previous action of the Town or by law, the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only.

(The Board of Selectmen unanimously recommends a yes vote. The Ways and Means Committee supports this Article by a vote of 6 to 1.)

This year's Operating Budget is recognition of the simple fact that the present economic conditions do not warrant any large-scale expenditures. The Department Heads have all tried very hard to keep their budgets to a bare minimum except for necessary and required expenses. This is certainly reflected in the fact that the budget submitted at the Deliberative Session of the Town Meeting was only 1% higher than last year. In an attempt to draw an "apples to apples" comparison, if the capital reserve funds that are now being presented as separate warrant articles were included in the proposed operating budget, the increase in the budget would have been 2.8%. The proposed budget contains no new or expanded personnel expenses, and in fact there have been some reductions in personnel costs. Though all departments delivered budgets designed only to maintain the current level of service, the Board of Selectmen trimmed an additional \$50,000 (or .5%) from the overall budget. This has produced a very lean budget. The budget does include a Cost of

Living Adjustment (COLA) for all town employees of 1.95%. In addition, an increase in employee health care costs has been budgeted at 5%, though attempts will continue to manage that increase by plan and/or vendor changes.

At the Deliberative Session on February 6th, the voters increased the operating budget by \$57,000 to include funds from warrant articles #25 and #26 in the budget (please see below). This change now has the budget 1.6% higher than last year, but does not increase the proposed overall town expenditures as these additional funds were removed from their respective warrant articles.

The chart included below summarizes the remainder of the budget increases.

<u>Category</u>	<u>Budget Increase</u>	<u>Summary of Budget Increase</u>
Employee COLA	\$39,844	Cost of Living Adjustment of 1.95% for all employees
Insurances	\$24,669	Increases in several categories based on claim history
Cemeteries	\$12,194	Maintenance services previously paid via care funds
Health Care Costs	\$12,996	Budgeted at a maximum of 5% increase in cost of health insurance

The chart included below summarizes some of the budget decreases.

<u>Category</u>	<u>Budget Decrease</u>	<u>Summary of Budget Decrease</u>
Town Clerk	\$10,056	Decrease in part time hours
Planning/Zoning	\$19,105	Completion of Master Plan project funding
Principal/Interest on Notes	\$14,033	Reduction in costs due to age of notes
Capital Reserves	\$171,000	These will now be submitted as separate warrant articles

Estimated Tax Impact: \$0.08 Per Thousand

ARTICLE 23: DPW Loader Replacement



Shall the Town vote to authorize the Board of Selectmen to enter into a five (5) year municipal lease agreement for the sum of one hundred ten thousand dollars (\$110,000) for the purpose of acquiring a fully equipped front end loader replacement for the Department of Public Works and to raise and appropriate the sum of twenty five thousand two hundred thirty one dollars

(\$25,231) for the first year's payment for that purpose or take any action relative thereto. The lease agreement contains a clause (escape clause) which will allow the town to invalidate the lease if the town fails to approve this annual lease in subsequent years. This is a special warrant article in accordance with RSA 32. (Majority Vote Required)

(The Board of Selectmen unanimously recommends a yes vote. The Ways and Means Committee unanimously supports this Article.)

With several miles of roadways added in the last few years, and several more being proposed along with the 122 miles already maintained, we have had to consider the most cost effective way of meeting these needs. A new replacement loader will save time, save wear & tear on the aging 2001 Hyundai Highway Loader, and provide better reach allowing a broader span of work to be completed.

The recognized practice is, and has been, to move municipal equipment and sometimes vehicles around to further their investment life. Such has been the case with loaders within Public Works. Brief History - The 1988 Trojan 1500Z assigned to the Transfer Station was traded in 2000 when the backhoe was purchased, and in 2001 the 1989 Trojan loader was reassigned to the Transfer Station, when the Hyundai was purchased.

- The 1989 Trojan, (12,875 engine hours) "Transfer Station" loader is no longer manufactured. Late in last year's budget process the town was faced with expensive brake repairs. Parts not found in this country came from Germany.***
- In December of 2007, the drive train failed twice and has twice been repaired.***
- The total cost of the above repairs in this budget year, exceeded \$13,100.***
- The proposal before you is to reassign the 2001 Hyundai Highway loader (with 6596 engine hours) to the Transfer Station and Lease***

purchase the best available machine to meet Highway Department's needs.

Each engine hour is the equivalent to roughly thirty miles and the industry and municipal rule of thumb is to replace every 10,000 hours.

Questions may be directed to DPW Director Bruce Berry at 673-2317

Estimated Tax Impact: \$0.01 Per Thousand